



7/3/03

BUDGETS

SB 540 (Johnson)

SUPPLEMENTAL / CAPITAL OUTLAY BUDGET

The bill appropriates \$268 million of federal Medicaid funds to recognize the increased match rate the state will receive; this is being used to fund shortfalls due to increased caseload. \$2.8 million is appropriated as a veto restoration of funds for Medicaid substance abuse services through Salvation Army – Harbor Light and Turning Point of West Michigan. The bill appropriates \$37.7 million in federal HUD funds for MSHDA, primarily for payments on behalf of tenants. The bill appropriates \$41.6 million of federal and state restricted revenue for the CSES, which the administration states is under funded by \$67.4 million. The bill appropriates \$10.8 million in federal funds for the low-income energy assistance program. The bill appropriates \$3.4 million from the Merit Award Trust Fund to the tuition incentive program. The bill appropriates \$4 million from the Game and Fish Protection Fund for new point of sale terminals to issue hunting and fishing licenses. Also included are \$2.8 million in federal land and water conservation fund payments. The bill appropriates \$12.3 million in federal homeland security funds for the hazardous materials program. These funds are earmarked by the federal government for the City of Detroit to protect high density population areas and critical infrastructure. The bill reduces debt service for the airport safety and improvement program by \$5 million in aeronautics funds and uses this \$5 million along with \$2.2 million in federal aviation funds and \$532,000 in local aeronautics match for safety and security projects at state airport facilities. The bill appropriates \$2.5 million from the Scrap Tire Regulatory Fund to increase scrap tire grants. The bill appropriates \$9 million from the Natural Resources Trust Fund for various local projects.

- Committee 1 (S-1) was adopted [no RC].
- George 1A was withdrawn. This required DCH to do a state by state survey of pharmacy programs and report by September 1, 2003.
- George 1B was adopted [no RC]. This allows pharmacy pilot projects in conjunction with drug companies in lieu of requiring rebates.
- Patterson 1C was adopted [no RC]. This deletes Scott Correctional Facility authorization.
- Johnson 1D was withdrawn [RC].
- Johnson 1E was adopted [no RC]. This appropriates \$1.5 million for Payment in Lieu of Taxes (PILT).

- Johnson 1F was adopted [no RC]. This increase amount funding for Help America Vote Act.
- Johnson 1G was adopted [no RC]. This suspends payments to Eastern Michigan University until use and finance statement for president's house construction is approved by JCOS.
- Hardiman 1H was adopted [no RC]. \$100 for lead abatement programs with criteria on how funds will be spent.
- Johnson 1I was adopted [no RC]. This appropriates \$10 million for biosciences research & commercialization center in Kalamazoo County.
- George 1J was adopted [no RC]. This required DCH to do a state by state survey of pharmacy programs and report by 2003.
- SB 540 was moved to 3rd Reading.
- Cherry 1 was defeated [RC 353: 18 yes, 19 no (GOP)]. \$250,000 for a series of free health clinics in Michigan.
- Cherry 2 was defeated [RC 354: 16 yes, 21 no]. This takes \$29 million (in Medicaid Trust Fund dollars) from this Supplemental and returns the money back to the Trust Fund. This would ensure Medicaid money is used for Medicaid.
- Switalski 3 was defeated [no RC]. This would have reversed the Patterson 1C amendment and restored the Scott Correctional Facility authorization.
- SB 540 passed [RC 355: 36 yes, 1 no].

MESSAGES FROM THE HOUSE

SB 230 (BERNERO)

Senate Bill 230 would create an exception under which a building may not be removed unless the cost of its repair will not be greater than the SEV. The SEV is 50 percent of the value of the home. Under this piece of legislation, this provision would NOT apply if an urban core community has adopted stricter standards to expedite the removal or rehabilitation of the abandoned structure for a period of over two years.

Many urban communities have a problem with abandoned houses. Right now, these structures can not be removed unless the value of repairing the structure is more than its State Equalized Value (SEV).

Support: Michigan Municipal League, President of the Lansing City Council.

- The Senate concurred with the House changes to SB 230 [RC 332: 37yes, 0 no]. Immediate Effect was given to the bill.

SB 448 (Garcia)

SB 449 (Cropsey)

JUDICIARY FEE INCREASES

- The Senate concurred with the House changes to SB 448 [RC 333: 37 yes, 0 no]. Immediate Effect was given to the bill.
- The Senate concurred with the House changes to SB 449 [RC 334: 37 yes, 0 no]. Immediate Effect was given to the bill.

SB 462 (Garcia)

SB 462 moves responsibility for the Motorcycle Safety Education Program out of the Department of Education to the Secretary of State's department.

Support: AAA Michigan, Michigan State Medical Society, Traffic Safety Association, ABATE of Michigan.

- The Senate concurred with the House changes to SB 462 [RC 335: 37 yes, 0 no]. Immediate Effect was given to the bill.

SB 537 (Brater)

Senate Bill 537 raises State Park entrance fees. The DNR estimates that an additional \$1.8 million will be received through the increased fees. The House added an amendment to create a \$10 permit fee for second stationary recreational vehicles.

7/2:

- *McManus 1 (4 amends) was withdrawn.*
- *McManus 2 (1 amend) was adopted [no RC]. Technical clarifying language.*
- *Birkholz 3 (1 amend) was ruled "out of order." [no RC]. This would require an annual report on the revenues generated by the bill.*
- *SB 537 was passed for the day.*

7/3:

- The Senate reconsidered the vote adopting amendment McManus 2. The amendment was then withdrawn.
- McManus/Birkholz 4 was adopted [no RC]. This limits the use of the 10 fee for the second (stationary) vehicle. It also requires a report on the revenues generated by the bill.
- The Senate concurred with the House changes to SB 537, as amended by the Senate [RC 331: 36 yes, 1 no (Sanborn)]. Immediate Effect was given to the bill.

SB 575 (EMERSON)

The bill provides for modest changes to the distribution formula for 2002-03. In addition, the bill provides for a 3.0% reduction in the statutory payment for each county, and a 10.26% reduction in the statutory payment for each city, village, and township for 2003-04 from the statutory payment each local unit received in 2002-03.

- The Senate did not concur with the House changes to SB 575 [RC 337: 8 yes, 29 no].

HB 4657 (Nitz)

The bill would remove gasoline containing 10% or less of ethanol from the required notice on a gas pump.

- The Senate concurred with the House changes to HB 4657 [RC 336: 27 yes, 10 no].

FINAL PASSAGE

SB 189 (Hammerstrom)

The bill would require that, beginning one year after the bill's effective date, social workers obtain a license, rather than a registration or certification, from the State.

Support: Michigan Chapter of the National Association of Social Workers (NASW), Michigan Association of Social Workers (MASSW), Michigan Psychological Association, Michigan Psychiatric Society, Michigan Health and Hospital Association.

- SB 189 passed [RC 344: 35 yes, 2 no (Cropsey, Garcia)].

HB 4154 (Casperson)

This bill would increase the length of "crib" truck/trailer combinations and revise tie-down requirements of such truck/trailer combinations.

Support: Timbermen's Association of Michigan, Lake States Lumber Association, Michigan-Wisconsin Timber Producers' Association, County Road Association of Michigan, Michigan Farm Bureau.

Oppose: MDOT.

- Prusi 1 (2 amends) was adopted [no RC]. Technical amendments: disclaimer provisions and clarification of tie-down requirements.
- HB 4154 passed with IE [RC 342: 37 yes, 0 no]. Immediate Effect was given to the bill.

HB 4247-48 (Van Regenmorter)

LOWER DRUNK DRIVING THRESHOLD

Support: MADD, Prosecuting Attorney's Association of Michigan, Michigan Interfaith Council Alcohol Problems, Michigan Road Builders Association, National Interlock, and Michigan State Police all support this bill.

Oppose: Michigan Licensed Beverage Association and Responsibility in DUI Laws (RIDL).

House Bill 4247 would lower the Blood Alcohol Content (BAC) level for drunk driving from .10% to .08%. Penalties for driving with a BAC between .08% and .15% would include: 1) 30 day hard suspension, meaning no restricted license issued during this period; 2) fine of not less than \$500 or more than \$1000; 3) installation of ignition interlock device on each vehicle owned by the offender is within the court's discretion; 4) maximum of 360 hours of community service for first offense.

- BARCIA 1 (2 amends) was adopted [RC]. Technical: Clarifying language to the ten-year sunset placed on the bill.
- HB 4247 passed with IE [RC 346: 37 yes, 0 no].

House Bill 4248 would amend the sentencing guidelines to make the guidelines conform with provision in HB 4247 which would lower the Blood Alcohol Content (BAC) level for drunk driving from .10% to .08%.

- BARCIA 1 (2 amends) was withdrawn.

- Cropsey 2 (2 amends) was adopted [no RC]. Technical: Clarifying language to the ten-year sunset placed on the bill.
- HB 4248 passed with IE [RC 352: 37 yes, 0 no].

HB 4300 (Wenke)

This bill could help local units of government in their economic development strategies, stimulate private investment and create jobs. Kalamazoo County has wanted to become a partner in local economic development projects, but did not have the statutory authority to use county funds to do so. This would allow a county to use its permissible General Fund dollars toward grants or loans to local units of government for economic development purposes. County revenues that do not come from ad valorem taxes include revenue sharing and county fees.

Support: Michigan Association of Counties, Kalamazoo County.

- HB 4300 passed [RC 343: 36 yes, 1 no (Sanborn)]. Immediate Effect was given to the bill.

HB 4502 (Caul)

House Bill 4502 creates the Bureau of Community Services and a commission on Economic and Social Opportunity within the Family Independence Agency (with amendment). The bill has technical amendments to remove the Department of Labor since that department no longer exists. This bill was requested by the Michigan Community Action Agency and has its support.

Support: Michigan Community Action Agency Association; Mid Michigan Community Action Agency; City of Detroit Department of Human Services; Area Community Service Employment and Training Council serving Kent and Allegan counties; Northwest Michigan Human Service Agency; Washtenaw County Community Action Agency; Human Development Commission in Caro, serving Huron, Lapeer, Sanilac, and Tuscola counties; Genesee County Community Action Resource Department and Ottawa County Community Action.

- HB 4502 passed with IE [RC 351: 37 yes, 1 no].

HB 4515 (Richardville)

HB 4516 (Amos)

HB 4517 (WOJNO)

The bills would: 1) Provide for the certification of local corrections officers, and establish the “Local Corrections Officers Training Fund” to defray the costs of training, certification, and continuing education of officers. 2) Provide for the approval of standards for the recruitment, training, and certification of officers. 3) Reduce the size of the Correctional Officer’s Training Council. 4) Require inmates to pay a \$12 fee upon admittance to a county jail to support the proposed Fund.

HB 4515:

- HB 4515 passed with IE [RC 339: 37 yes, 0 no]. Immediate Effect was given to the bill.

HB 4516:

- HB 4516 passed with IE [RC 340: 37 yes, 0 no]. Immediate Effect was given to the bill.

HB 4517:

- HB 4517 passed with IE [RC 341: 37 yes, 0 no]. Immediate Effect was given to the bill.

HB 4522 (Rocca)

Currently, a candidate files a post-election statement with either the county clerk or the secretary of state, depending upon which of those two officials issued the candidate his or her certificate of election. Under this bill, a candidate would file his or her post-election sworn statement with the same official with whom the candidate's committee campaign statements were filed. This would close a loophole in the election process. It would force local officials in large communities to file affidavits. Under current law, they do not have to file this documents.

- **HB 4522 passed with IE [RC 345: 37 yes, 0 no].**

HB 4579-82 (Bipartisan)

State law currently requires financial institutions to file copies of all transaction reports with the Department of State Police. As a result, the Department has been overwhelmed by the number of reports being received each month. However, transaction reports often do not represent illegal activities.

The bills would replace existing requirements that financial institutions file a copy of any "transaction report" to require financial institutions to file a copy of only "suspicious activity reports" (SARs). This report should be sufficient to provide the intended protection and would reduce the number of reports filed with the Department.

Support: Office of Financial and Insurance Services, Department of State Police, Michigan Bankers Association, Michigan Credit Union League.

HB 4579:

- **HB 4579 passed with IE [RC 347: 37 yes, 0 no]**

HB 4580:

- **HB 4580 passed with IE [RC 348: 37 yes, 0 no].**

HB 4581:

- **HB 4581 passed with IE [RC 349: 37 yes, 0 no].**

HB 4582:

- **HB 4582 passed with IE [RC 350: 37 yes, 0 no].**

HB 4748 (LIPSEY)

JUDICIARY FEE INCREASE

This bill is part of a multi-bill package that will make a number changes in court fees and assessments, not only increasing the amounts in many cases, but also changing the process for collection and distribution of the money.

Support: Michigan Municipal League, State Court Administrative Office.

Opposed: Michigan Advocacy Project and the Michigan Trial Lawyers are opposed to the District Court fee increase.

- **Patterson 1 (S-4) was adopted [RC].**
- **Cropsey 1A (2 amends) was adopted [RC]. Revenues raised from the fee would go to funding court programs.**

- HB 4748 passed with IE [RC 338: 35 yes, 1 no (Sanborn)].

THIRD READING

HB 4192 (Stakoe)

House Bill 4192 is a replacement for Senate Bill 136 in the eight-bill package that changes the term "homestead" to "principal residence". The purpose of this change is to eliminate confusion between the "homestead exemption", which exempts homesteads and certain agricultural property from the 18 mill property tax levied for school operating purposes and the "homestead property tax credit", which is credit available under the income tax act. The changes will be effective beginning in 2004. A substitute was adopted for House Bill 4192 to tie-bar it to the Senate Bills and to add an effective date of January 1, 2004 (which is the effective date for all of the other bills).

- HB 4192 was moved to 3rd Reading. No amendments.

HB 4704 (Ehardt)

House Bill 4704 would amend the Aeronautics Code of Michigan by deleting the background checks and previous conviction and adding a section that addresses the security of and accessibility to aircraft owned, operated, or on the grounds of the flight school program. It also provides language to mirror federal standards on flight school admissions procedures. Under HB 4704 all flight schools would have to develop a security program that is acceptable to the State Aeronautics Commission.

- HB 4704 was moved to 3rd Reading. No amendments.

HB 4708 (Robertson)

The bill would amend the county road law to allow a county road commission to enter into a contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over a period not to exceed 15 years or the useful life of the property, whichever was less.

- Committee 1 (2 amends) was adopted [no RC].
- HB 4708 was moved to 3rd Reading.

RESOLUTIONS

SCR 26 (BARCIA)

A concurrent resolution to memorialize the Congress of the United States to enact legislation to permit beach grooming on private property and to encourage the United States Army Corps of Engineers to work with property owners on the stewardship of beaches.

- Committee 1 (S-1) was adopted [no RC]. Technical changes.
- BARCIA 1A (2 amends) was adopted [no RC]. Clarifying language which narrows the scope of the resolution.
- SCR 26 was adopted [no RC].

HCR 17 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Kellogg Community College relative to the Kellogg Community College Career Development Center/Science Building Renovations.

- HCR 17 was adopted [RC 356: 37 yes, 0 no].

HCR 18 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Jackson Community College relative to the Jackson Community College Lenawee Extension Center.

- HCR 18 was adopted [RC 357: 37 yes, 0 no].

HCR 19 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Southwestern Michigan College relative to the Southwestern Michigan College Instructional Resource Center.

- HCR 19 was adopted [RC 358: 37 yes, 0 no].

HCR 20 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Northwestern Michigan College relative to the Northwestern Michigan College West Bay Reconstruction Project.

- HCR 20 was adopted [RC 359: 37 yes, 0 no].

HCR 21 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease between the State of Michigan and the State Building Authority relative to the Department of Natural Resources State Fish Hatchery Renovations Platte Project.

- HCR 21 was adopted [RC 360: 37 yes, 0 no].

HCR 22 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Western Michigan University relative to the Western Michigan University Health and Human Services Building.

- HCR 22 was adopted [RC 361: 37 yes, 0 no].

HCR 23 (Shackleton)

A concurrent resolution approving the conveyance of property to the State Building Authority and approving a lease among the State of Michigan, the State Building Authority, and Lake Michigan College relative to the Lake Michigan College Van Buren Center.

- HCR 23 was adopted [RC 362: 37 yes, 0 no].